

## Message Text

LIMITED OFFICIAL USE

PAGE 01 CANBER 02988 200907Z

ACTION EB-08

INFO OCT-01 EA-10 ISO-00 CAB-02 CIAE-00 COME-00  
DODE-00 DOTE-00 INR-10 NSAE-00 FAA-00 L-03 SS-15  
NSC-05 /054 W

-----097440 210555Z /21

R 200702Z APR 78

FM AMEMBASSY CANBERRA  
TO SECSTATE WASHDC 3039  
INFO AMCONSUL AUCKLAND  
AMCONSUL MELBOURNE  
AMCONSUL SYDNEY

LIMITED OFFICIAL USE CANBERRA 2988

E.O. 11652: N/A

TAGS: EAIR, AS

SUBJ: PAN AM REQUEST FOR ASSISTANCE IN FARE APPLICATION

1. SUMMARY: PAN AMERICAN HAS BEEN TURNED DOWN IN REQUEST TO APPLY DIRECT MELBOURNE-AUCKLAND FARE TO NON-STOP PASSENGERS ON ITS MELBOURNE-SYDNEY-AUCKLAND RUN. PAN AM IN CALL ON AMBASSADOR HAS REQUESTED EMBASSY ASSISTANCE. GUIDANCE REQUESTED. END SUMMARY.

2. PAN AMERICAN FLIGHTS TO U.S. THROUGH NEW ZEALAND ORIGINATE IN MELBOURNE AND TRANSIT SYDNEY. PAN AM HAS STOP-OVER RIGHTS IN SYDNEY, SO THAT MELBOURNE PASSENGERS MAY DISEMBARK IN SYDNEY AND RESUME JOURNEY ON SUBSEQUENT PAN AM FLIGHT. FARE PAN AM HAS BEEN CHARGING PASSENGERS FLYING PAN AM FROM MELBOURNE TO AUCKLAND HAS BEEN A COMBINATION OF MELBOURNE-SYDNEY AND SYDNEY-AUCKLAND FARES.

3. PAN AMERICAN IS NOW PROPOSING THAT IT ALSO BE ALLOWED TO OFFER TO MELBOURNE-AUCKLAND PASSENGERS THAT LOWER DIRECT FARE BEING CHARGED BY CARRIERS FLYING DIRECTLY FROM  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CANBER 02988 200907Z

MELBOURNE TO AUCKLAND, WITH STOP-OVER IN SYDNEY NOT ALLOWABLE TO PASSENGERS UTILIZING THIS FARE.

4. AUSTRALIAN GOVERNMENT HAS DENIED PAN AM APPLICATION, AS DID NEW ZEALAND GOVERNMENT TWO WEEKS EARLIER. GOA POSITION IS THAT THIS IS A NEW FARE; THAT AUSTRALIA-NEW ZEALAND FARES ARE BILATERAL MATTER BETWEEN AUSTRALIA AND NEW ZEALAND; AND

THAT EVEN THOUGH AUSTRALIA MAY HAVE NO DIRECT INTEREST THROUGH QANTAS, IT WILL NOT UNDERCUT NEW ZEALAND BY APPROVING NEW FARE OF WHICH NEW ZEALAND DISAPPROVES. AUSTRALIAN AUTHORITIES STATE THEY CAN UNDERTAKE NO ACTION UNTIL THEIR INTERNATIONAL AVIATION REVIEW HAS BEEN COMPLETED, BUT THAT THEY WILL DISCUSS PROPOSED FARE WITH NEW ZEALAND DURING NEXT AUSTRALIA-NEW ZEALAND AVIATION DISCUSSIONS.

5. PAN AM CONTENTION IS THAT THE FARE IS NOT A NEW FARE AND THAT A FIFTH FREEDOM CARRIER CANNOT PROPERLY BE EXCLUDED FROM PARTICIPATING IN TRAFFIC ON THROUGH FLIGHTS AT THE DIRECT FARE. PAN AM FURTHER CONTENDS THAT SECTIONS IV AND V OF ANNEX TO BILATERAL, AND IN PARTICULAR LAST TWO SENTENCES OF SECTION V, GIVE IT THE RIGHT TO CHARGE THE LOWER DIRECT FARE.

6. EMBASSY READING OF BILATERAL PROVIDES RELATIVELY LITTLE GUIDANCE IN A SITUATION WHICH IS OBVIOUSLY COMPLICATED BY PAN AM STOP-OVER RIGHTS IN SYDNEY AND ITS OPERATIONS OVER PROLONGED PERIOD WITHOUT HAVING REQUESTED FARE WHICH IT NOW CLAIMS IS ITS RIGHT. IT WOULD ALSO APPEAR THAT NEW ZEALAND RATHER THAN AUSTRALIA WOULD BE PRIMARY PARTY FOR BILATERAL CONSULTATIONS WITH U.S. IF THIS IS TO BE NEXT STEP. E/C COUNSELOR HAS COURTESY CALL ON FIRST ASSISTANT SECRETARY JOHN ROWLAND IN AVIATION POLICY DIVISION SCHEDULED FOR APRIL 27. HAVING ALREADY RAISED MATTER AT LOWER LEVEL, LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CANBER 02988 200907Z

EMBASSY WOULD APPRECIATE DEPARTMENT'S GUIDANCE BEFORE APRIL 27 AS TO U.S. POSITION AND WHETHER ANY FURTHER EMBASSY INITIATIVE SHOULD BE TAKEN.  
ALSTON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEMARCHE, AIR FARES, AIR ROUTES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 apr 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978CANBER02988  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780170-0690  
**Format:** TEL  
**From:** CANBERRA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780436/aaaabemi.tel  
**Line Count:** 98  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 433201ab-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2907454  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PAN AM REQUEST FOR ASSISTANCE IN FARE APPLICATION  
**TAGS:** EAIR, AS, PANAM  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/433201ab-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014